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8 **UNITED STATES DISTRICT COURT**
DISTRICT OF NEVADA
9

10 UNITED STATES OF AMERICA,

2:08-CR-064-JCM-GWF

11 Plaintiff,

12 v.

13 STEVEN W. GRIMM,
EVE E. MAZZARELLA,
14 MELISSA R. BEECROFT,

**Government's Unopposed Motion to
Extend Time to File its Motions Regarding
Honeycutt and the Eighth Amendment as
Applied to the Defendants or to Settle
under ECF No. 691
(Second Request)**

15 Defendants.

16 This Motion to Extend Time is the second request. LR IA 6-1.

17 The United States of America respectfully moves this Court for an Order extending
18 the time for the government to file its Motions Regarding *Honeycutt* and the Eighth
19 Amendment as Applied to the Defendants or to settle under ECF No. 691. The reason is the
20 continual need to research the records, which are so large that the government has not and
21 will not be through them all before the deadline. No specific date was provided, but the goal
22 was the end of August 2018, which was then extended to February 2019.

23 The United States Attorney's Office for the District of Nevada (USAO) requested
24 money months ago from the United States Department of Justice (DOJ) to retain an
25 independent contractor of forensic accounts, etc., specifically for this case, to review and to
26 organize the records relating to the three defendants and the *Honeycutt* issue. The contractor
27 would provide the personnel to perform the necessary searches efficiently, effectively, and
28 timely. DOJ has neither approved nor disapproved the request. Numerous government

1 appropriation issues and budget issues have arisen. On February 15, 2019, Congress passed,
2 and the President signed, a budget.

3 The excel spreadsheets used to summarize the bank records in the case in chief do
4 not address the *Honeycutt* issue. The FBI has a contract individual tracing the money
5 through approximately 85 bank accounts with multitudes of bank records to address the
6 *Honeycutt* issue because the Las Vegas Field Office has lost numerous personnel to
7 retirement and transfers. New agents arrive regularly to the office and must have
8 experienced agents mentoring and shepherding the new agents.

9 Because of the lack of resources at this USAO and management's concerns regarding
10 undersigned's health, they will not permit the undersigned to continue to perform duties on
11 other work during the day and work late into the evenings and on Saturdays to review and
12 to organize the records relating to the three defendants regarding the *Honeycutt* issue. That is
13 one of the reasons for requesting an independent contractor. Since that has not been
14 approved yet, the government has been unable to provide an individual to look through the
15 bank records regarding the *Honeycutt* issue. The government did have an individual who was
16 going through the bank records, however he left this office but he outlined all the work he
17 has done and what needs to be done by the person who will replace him. The completion of
18 going through the records has a very long way to go. With the budget authorized, the
19 independent contractor may now be approved.

20 Law enforcement prepared this case differently before *Honeycutt* based on *United*
21 *States v. Newman*, 659 F.3d 1235 (9th Cir. 2011). The government only had to show the
22 defendants participated in a conspiracy and were responsible for the entire amount of the
23 forfeiture. *Honeycutt* abrogated that one sentence in *Newman*: "Moreover, because Tedesco
24 entered into a conspiracy, the 'proceeds' of his crime equal the total amount of the loans
25 obtained by the conspiracy as a whole." *Id.* at 1244. This legal change is one of the major
26 reasons this process is so slow and tedious. The government is trying to find the correct
27 documents and records that address the *Honeycutt* issue for the defendant.

28 / / /

On February 15, 2019, the government contacted Angela Dows, Gabriel Grasso, and Sunethra Muralidhara via phone call to determine whether they would agree or oppose this extension of time.

Angela Dows, counsel for Melissa R. Beecroft, agreed to the extension of time on February 15, 2019.

Sunethra Muralidhara, counsel for Steven W. Grimm, agreed to the extension of time on February 19, 2019.

Gabriel Grasso, counsel for Eve Mazzarella, agreed to the extension of time on or about February 21, 2019.

Because of the foregoing reasons, the government requests another six months to continue to review and organize records, hoping the funding will be approved to retain an independent contractor, who can provide the necessary personnel to complete this task.

This Motion is not submitted solely for the purpose of delay or for any other improper purpose.

This Court should grant an extension of time to, and including, August 28, 2019.

DATED: February 21, 2019.

NICHOLAS A. TRUTANICH
United States Attorney

/s/ Daniel D. Hollingsworth
DANIEL D. HOLLINGSWORTH
Assistant United States Attorney

IT IS SO ORDERED:

HONORABLE JAMES C. MAHAN
UNITED STATES DISTRICT COURT JUDGE

DATED: April 2, 2019

CERTIFICATE OF SERVICE

A copy of the foregoing was served upon counsel of record via Electronic Filing on February 21, 2019.

/s/ Heidi L. Skillin
HEIDI L. SKILLIN
FSA Contractor Paralegal